

EXPENSES, PRESIDENTIAL TRANSITION

PURPOSE OF THE APPROPRIATION

This is an annual appropriation to promote the orderly transfer of executive power attendant with the expiration of the term of office of a President and the inauguration of a new President. The President transmits a proposed appropriation for this purpose in each fiscal year that his regular term of office will expire. If the President-elect or Vice President-elect are the incumbents, no expenditure of funds is made, and any appropriations made are returned to the Treasury. It is available for new obligation only during the year for which it is enacted.

AUTHORITY FOR THE PROGRAM

The Presidential Transition Act of 1963, P.L. 88-277 of March 7, 1964, as amended, authorizes appropriation to the Administrator of General Services such funds as may be necessary to carry out its provisions.

HISTORY OF THE PROGRAM

The Presidential Transition Act was enacted by Congress to promote the orderly transfer of power when general elections result in a change in the Presidency. It states that the "national interest requires that such transitions in the office of President be accomplished so as to assure continuity in the faithful execution of the laws and in the conduct of the affairs of the Federal Government, both domestic and foreign. Any disruption occasioned by the transfer of the executive power could produce results detrimental to the safety and well-being of the United States and its people."

Before its enactment, there was no formal provision for such transfer of power, nor were any Federal funds available to pay for expenses of the transition. During the period between a November election and the January inauguration, an incoming president frequently incurred large expenses that had to be paid from his own pocket or through contributions. In response, the Presidential Transition Act authorized the Administrator of General Services to provide to the President-elect and Vice President-elect, upon request, suitable office space, payment of compensation for office staffs, personnel from Departments and agencies, procurement of experts or consultants, and payment of travel, subsistence and other necessary expenses that might be incurred. The Administrator was also authorized to provide to the outgoing President and Vice President services, facilities, and personnel needed to wind up their affairs; this support is not to exceed a period of six months from the expiration of their terms of office.

A total of \$900,000 was initially authorized by the Act, and the first transition to occur under its provisions was that following President Nixon's election in 1968. At the time, the Administrator determined that the \$900,000 available should be divided equally between the incoming and outgoing administrations, and \$450,000 was provided President Nixon. In a November 16, 1970 report to the Congress, however, the General Accounting Office found that President Nixon had actually incurred costs of \$1.5 million. In a later report entitled "Federal Assistance for Presidential Transitions: Recommendations for Changes in Legislation", the GAO recommended either removal of the \$900,000 ceiling or enactment of a more realistic limitation.

In October, 1976, P.L. 94-499 raised the amount available for any one Presidential transition from \$900,000 to \$3,000,000. It also stipulated that not more than \$2,000,000 may be appropriated for services and facilities to support the President-elect, and not more than \$1,000,000 may be appropriated for similar support to the former President and Vice President. This Act also removed provision for the use of non-reimbursable details that were specifically allowed in the original Act, and limited use of funds to the fiscal year for which enacted (funds previously available through the fiscal year subsequent to the transition).

Although P.L. 94-499 stipulated amounts available for incoming and outgoing administrations, it did not make a further division of amounts within each category between the President and Vice President (both incoming and outgoing). Legislative history of this Act clearly shows congressional intent that the Administrator of General Services use his best judgment in determining allocation between the President and Vice President.

The Presidential Transitions Effectiveness Act of 1989, P.L. 100-398, increased funding for the incoming administration from \$2,000,000 to \$3,500,000, and for the outgoing administration from \$1,000,000 to \$1,500,000 (except that funds in excess of \$1,250,000 would be returned to the Treasury if the former Vice President were elected President). For subsequent transitions, these amounts are to be adjusted for inflation in the cost of transition expenses. The Act also required disclosure of both private donations, which were limited to \$5,000, and personal services.

A recap of basic authorizing provisions is provided at the end of this section of the Digest.

APPROPRIATION LANGUAGE

The initial appropriation was contained in the Independent Offices Appropriation Act, 1965. Language current as of the last enactment in FY 1997 follows:

"For expenses necessary to carry out the provisions of the Presidential Transition Act of 1963, as amended (3 U.S.C. 102, note), \$_____."

(NOTE: In addition to the regular appropriation language shown above, "one-time" language was also contained in supplemental or other appropriations acts, and not repeated, as follows:

1975 Supplemental:

"...Provided, That the aggregate salaries of all employees detailed on a nonreimbursable basis under the authority of the Presidential Transition Act of 1963, during the period beginning with the enactment of the Act, and ending February 9, 1975, shall not exceed \$70,000."

1997 Supplemental:

"For an additional amount to carry out the provisions of the Presidential Transition Act of 1963, as amended (3 U.S.C. 102, note), \$2,100,000, to remain available until September 30, 1977."

1989 Legislative Appropriations Act:

"Sec. 307D. For an additional amount for 'Expenses, Presidential Transition, General Services Administration', not to exceed \$2,000,000: Provided, That the availability of these funds shall be in accordance with sections 3(b) and 4 of the Presidential Transition Act of 1963, as amended (3 U.S.C. 102, note)."

BUDGETARY HISTORY OF APPROPRIATIONS
\$(Thousands)

Fiscal Year	Estimate To OMB	Presidents Allowance	House Bill	Senate Bill	-----Appropriations Enacted-----		
					Amount	P. L.	Date
1965	700	800	400	400	400	88-507	8/30/64
1969	900	900	900	900	900	90-550	10/4/68
1973	1,500	900	900	900	900	92-351	7/31/72
1975 (Suppl)	450	450	100	100	100	93-554	12/27/74
1977	900	900	900	900	900	94-363	7/14/76
(Suppl)	--	2,100	--	2,100	2,100	94-438	9/30/76
1981	3,000	3,000	3,000	3,000	3,000	97-12	6/5/81
1985	3,000	3,000	3,000	3,000	3,000	98-473	10/12/84
(suppl) <u>1/</u>	-3,000	- 3,000	- 3,000	- 3,000	- 3,000	99-88	8/15/85
1989	3,000	3,000	3,000	3,000	3,000	100-440	9/22/88
	--	--	--	--	2,000	100-458	10/1/88
	--	--	--	--	- 1,250 <u>2/</u>	101-45	6/30/89
1993	5,000	5,000					
1997	5,600	5,600	5,600	5,600	5,600	104-208	9/30/1996
Rescission					- 5,600 <u>3/</u>		

1/ Transfer of \$1,500,000 each to OE, Personal Property and GMA in lieu of new pay supplemental appropriations

2/ \$1,000,000 transferred to District of Columbia Government, and \$250,000 to Salaries and Expenses, Federal Election Commission.

3/ Rescinded in 1997 Urgent Disaster Supplemental.

FUNDS AVAILABLE, OBLIGATIONS AND OUTLAYS
(In Whole Dollars)

Fiscal Year	Approp riations	-----OBLIGATIONS-----				Total Obligated	Balance Lapsing	Unoblig Total Outlays
		-----Former-----	-----Elected-----					
		President	Vice-Pres	President	Vice-Pres			
1965	400,000	--	--	--	72,681	72,681	327,319	72,000
1966	--	--	--	--	--	--	--	1,000
1969	900,000	370,276	74,625	430,648	19,352	894,901	5,099	590,000
1970	--	--	--	--	--	--	--	287,000
1971	--	--	--	--	--	--	--	18,000
1973	900,000	--	--	--	--	--	900,000	--
1975	100,000	99,961	--	--	--	99,961	39	91,000
1976	--	--	--	--	--	--	--	9,000
1977	3,000,000	687,383	51,027		1,618,107 <u>1/</u>	2,356,517	643,483 <u>2/</u>	2,160,000
1978	--	--	--		--	--	--	398,000
1979	--	--	--		--	--	--	1,000
1981	3,000,000	672,659	188,867		1,746,544	2,608,070	391,930	2,443,000
1982	--	--	--		--	--	--	148,000
1983	--	--	--		--	--	--	49,000
1989	3,750,000	697,034	--		2,300,224	2,997,258	752,742	2,888,000
1990								102,000
1993	5,000,000	907,939	244,192	3,485,877	--	4,638,008	361,992	4,472,000

* Outlays are shown in rounded dollars based on data in thousands reflected in Appendix to Presidents Budget.

1/ Separate accounting data not available.

2/

Subsequent adjustments reduced this by approximately \$100,000.

RECAP OF AUTHORIZATION PROVISIONS

	Original <u>P.L. 88-277</u>	<u>Current</u>
Allowances - Elect	\$ 450,000	\$ 3,500,000*
Allowances - Former	\$ 450,000	\$ 1,500,000*
		* Both to be adjusted for inflation for transitions after 1989 (P.L. 100-398)
Limitation on Individual Staff Salary	GS - 18	GS - 18
Personnel Details	Reimbursable or Non-Reimbursable	Reimbursable Only (P.L. 94-499)
Limitation on Use of Experts or Consultants	\$100 per day per person	None (P.L. 94-499)
Postal Costs	GSA Reimburse USPS	GSA Reimburse USPS
Fund Availability	Transition Fiscal Year and next succeeding FY	Transition FY Only
Elect	From Day After Election Until inauguration	From Day After Election Until 30 days after Inauguration (P.L. 100-398)
Former	For 6 Months After Expiration of Term	From 30 days before Term Expires Until 6 months After Term Expires (P.L. 100-398)
Private Donations/Services	--	Limited to \$5,000; cash And personal services Must be disclosed (P.L. 100-398)
Use of Government Aircraft	--	Reimbursable use permitted (P.L. 100-398)
Relocation Costs	--	Travel & transportation Expenses from residence To duty station, paid From appropriations of Employing agencies (P.L. 100-398)
Retirement and Health Benefits	--	1/

1/

P.L. 100-238 made hires after 9/30/88 not eligible; P.L. 100-679 restored the entitlement for current Federal employees.